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## **MAYOR JERRY SANDERS FACT SHEET**

### **MAYOR PROPOSES 18-MONTH BUDGET TO TACKLE RECESSION-DRIVEN DEFICIT IMMEDIATELY**

*Plan avoids layoffs of sworn public-safety officers, library and rec center closures*

Mayor Jerry Sanders today presented his proposal to address the projected \$179 million budget deficit for fiscal year 2011 through an 18-month budget that would take effect on Jan. 1.

The spending plan, which includes reductions in virtually every city department, maintains the jobs of all sworn police and fire personnel and avoids closures of libraries and recreation centers. Under the plan, the city also will continue to make its full pension payment and leave reserves untouched.

“This recession has had a deep impact on virtually every city in the country, and San Diego is no exception,” said Sanders. “While far from painless, this plan balances the budget without decimating city services or jeopardizing our good standing on Wall Street.”

Sanders’ plan incorporates \$82.6 million in ongoing structural reductions, largely through cutting 530 positions – 200 of which are currently filled.

Also included in the ongoing savings are reduced spending on information technology services through opening a competitive-bidding process; reducing the TOT-funded subsidy of the San Diego Convention Center Corp.; and using land-sale revenues to service debt for deferred maintenance construction.

The proposal also includes \$96.5 million in one-time savings and adjustments, including not adding to reserves in FY 2011; restructuring the final payment on the McGuigan legal settlement, which remedies underfunding of the pension system by previous administrations; and postponing fire-sprinkler installation at the City Administration Building.

Last month, Sanders asked city departments to identify budget cuts that would collectively address the budget deficit. The approximately 27 percent in cuts offered by each department included closing 20 fire stations, laying off hundreds of sworn police officers and fire fighters, and year-round closures of 11 libraries, 10 recreation centers and four swimming pools.

“Once that grim process was complete, we understood what our city would look like if we tried to balance the budget entirely by slashing programs and public services,” he said. “It would have led to an unacceptable degradation in our quality of life.”

The use of one-time adjustments acknowledges that a majority of the FY2011 deficit is related to the recession, including \$67 million in reduced tax revenues and a \$57 million spike in the city’s required pension payment caused by stock-market losses.

Departmental spending reductions will include the following measures:

**Police:** \$26 million reduction / 262 positions

- Eliminates 134 vacant sworn positions and non-revenue-generating civilian support positions
- Eliminates equestrian patrol; reassigns officers to patrol duty
- Reduces canine units from 36 to 24; reassigns officers to patrol duty
- Eliminates code-compliance officers; re-assigns duties to sworn personnel

**Fire-Rescue:** \$18.6 million reduction / 63 positions

- Eliminates 50 vacant sworn positions
- Eliminates eight engine companies through “rolling brownouts”
- Eliminates vacant construction plan-check positions that are not supported by demand in the weak economy
- Eliminates lifeguard service at Torrey Pines Beach in non-summer months
- Reduces lifeguard overtime by making training every six weeks instead of every two weeks

**Park & Recreation:** \$3.7 million reduction / 32 positions

- Increases managers’ span of control
- Transfers antenna revenues to the General Fund
- Eliminates fire pits
- Closes some Mission Bay restrooms during the winter
- Reduces beach grooming
- Eliminates enhanced service at five sports fields

**Library:** \$3.8 million reduction / 53 positions

- Pairs eight sets of libraries with each branch open three days, for a total of six days for each pair
- Eliminates Sunday hours at most branches
- Scales back technical services
- Reduces library matching funds

**Environmental Services:** \$3.3 million reduction / 12 positions

- Cut equipment costs by shifting trash collection schedules, so each crew would work four 10-hour shifts weekly (frequency of pickup will not change)
- Extend repayment of debt on Miramar Place Operations Station

**City Planning & Community Investment:** \$1.2 million reduction / 7 positions

- Slows designation of historic districts
- Reduces overtime and non-personnel expenses
- Terminates lot lease and releases funds set aside for payments

**General Services:** \$11.7 million reduction / 7 positions

- Reduces the size of the fleet
- Increases vehicle replacement life cycles by two years

The budget proposal will go before the City Council's Budget & Finance Committee on Dec. 2 and is tentatively scheduled to go before the full City Council on Dec. 10 and 14.

Mayor Sanders, who was joined by Council President Ben Hueso and Councilmembers Tony Young and Marti Emerald at today's news conference announcing the proposal, expressed confidence in Council's willingness to implement the budget by the first of next year.

"This City Council is no stranger to making tough decisions," Sanders said. "They understand that the sooner we balance this budget, the more jobs and services we will be able to save."

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